

BOARD OF GOVERNORS

August 7, 2003

SUBJECT: A Resolution of the Board of Governors Approving the Financing of the Construction of a Portion of a Genetics and Cancer Research Facility on the Campus of the University of Florida and Approving the Issuance by the University of Florida Research Foundation, Inc., of Capital Improvement Bonds Not to Exceed \$35,000,000.

UNIVERSITY AFFECTED: University of Florida

PROPOSED BOARD ACTION

Approve the financing plan and adopt a resolution authorizing the issuance of variable rate, tax-exempt revenue bonds by the University of Florida Research Foundation, Inc., a direct support organization of the University of Florida, in an amount not to exceed \$35,000,000 to finance a portion of the cost of construction of a Genetics and Cancer Research Center on the University of Florida, main campus. Authorize the Chair, the Vice Chair, the Chief Financial Officer and other authorized representatives of the Board of Governors to execute the necessary contractual documents related to the financing of the project.

AUTHORITY FOR BOARD OF GOVERNORS ACTION

Section 11, Chapter 2002-394, Laws of Florida, Section 9 and Section 11, Conference Committee Bill, 2003A, Section 1010.60(2), Florida Statutes, and Article IX, Section 7(D), Florida Constitution.

BACKGROUND INFORMATION

On May 24, 2001, the Board of Regents approved a resolution authorizing the Research Foundation's issuance of tax-exempt revenue bonds in an amount not to exceed \$100,000,000 for purposes of financing the construction of a genetics and cancer research center on the University of Florida, main campus. As a result of the reorganization of the state university system and the time that has elapsed since the original resolution was approved, it is necessary for the Board of Governors to reauthorize the bond financing.

The University of Florida Research Foundation has submitted a proposal to issue up to \$35,000,000 in revenue bonds to fund a portion of the Genetics and Cancer Research Center. The project received legislative approval in 2002 and is reauthorized in the 2003A Conference Committee Bill. This project is currently budgeted for \$83,793,978 with a portion of the funding to be provided from PECO and/or UF Research Foundation funds, and the construction phase is expected to start November, 2003.

The University of Florida Research Foundation, Inc. plans to use a private bond attorney in preparation to issue variable rate revenue bonds. The Genetics and Cancer Research Center Building is expected to have 283,206 gross square feet, providing 165,805 net assignable square feet to house the research, training and administrative operations of the University of Florida Genetics and Cancer Research Center, a biomedical research facility.

